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FILED WITH LRC TIME: 4pm DEC 04 2019 Emily B Caudill REGULATIONS COMPILER

1 FINANCE AND ADMINISTRATION CABINET

2 Department of Revenue

3 (Amendment)

4 103 KAR 40:050. Transporter's reports.~~[Transportation.]~~

5 RELATES TO: KRS 243.020, 243.200, 243.850

6 STATUTORY AUTHORITY: KRS 131.130, 131.131~~[131.130(1)]~~

7 NECESSITY, FUNCTION, AND CONFORMITY: KRS 131.130(1) authorizes the
8 Department of Revenue to promulgate administrative regulations for the administration and
9 enforcement of Kentucky tax laws. This administrative regulation summarizes the statute dealing
10 with the transportation of alcoholic beverages and outlines reporting requirements of the
11 department~~[Department of Revenue]~~.

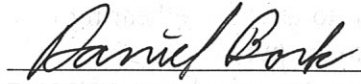
12 Section 1. Report Required. (1) All transporters holding a ~~a~~ ~~Kentucky Distilled Spirits and~~
13 ~~Wine~~ Transporter's license issued under KRS 243.200 shall~~[or privilege are required to]~~ file reports
14 with the department~~[Department of Revenue]~~ on or before the 20th of each month covering the
15 preceding month's transactions. It is necessary that only one (1) report, prepared on forms supplied by
16 the department~~[Department of Revenue]~~, be submitted to cover each unit shipment of alcoholic
17 beverages transported into or between points in Kentucky.

18 (2) Reports are required on all shipments of alcoholic beverages delivered to a Kentucky
19 wholesaler, distiller, or rectifier.

20 (3) When a shipment is handled by two (2) or more licensed transporters~~[carriers]~~, the licensed
21 transporter~~[carrier]~~ making final delivery to the consignee or retiring the waybill is required to

103 KAR 40:050

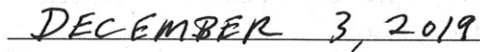
APPROVED BY AGENCY:

A handwritten signature in cursive script, appearing to read "Daniel P. Bork", is written over a horizontal line.

DANIEL P. BORK, COMMISSIONER

Department of Revenue

Finance and Administration Cabinet

The date "DECEMBER 3, 2019" is handwritten in all caps over a horizontal line.

Date

REGULATORY IMPACT ANALYSIS AND TIERING STATEMENT

Regulation No. 103 KAR 40:050

Contact Person: Lisa Swiger

Phone Number: (502) 564-9526

Email: Lisa.Swiger@ky.gov

(1) Provide a brief summary of:

(a) What this administrative regulation does: This administrative regulation summarizes the reporting requirements for the transportation of alcoholic beverages in Kentucky.

(b) The necessity of this administrative regulation: The amendment is necessary to remove incorrect or unnecessary language per 13A requirements.

(c) How this administrative regulation conforms to the content of the authorizing statutes: The proposed amendment updates regulatory language to conform with KRS 13A, KRS 131.130, KRS 131.131, and KRS 243.850.

(d) How this administrative regulation currently assists or will assist in the effective administration of the statutes: The proposed amendment updates regulatory language to simplify taxpayer requirements for reporting purposes.

(2) If this is an amendment to an existing administrative regulation, provide a brief summary of:

(a) How the amendment will change this existing administrative regulation: The amendment removes unnecessary language in Section 1, removes Section 2 in its entirety, updates Section 3 formatting and language concerning licensees, and adds an authorizing statement to the Necessity, Function, and Conformity statement per 13A requirements.

(b) The necessity of the amendment to this administrative regulation: See (1)(b).

(c) How the amendment conforms to the content of the authorizing statutes: See (1)(c).

(d) How the amendment will assist in the effective administration of the statutes: See (1)(d).

(3) List the type and number of individuals, businesses, organizations, or state and local governments affected by this administrative regulation: Approximately 350 licensed businesses will be affected.

(4) Provide an analysis of how the entities identified in question (3) will be impacted by either the implementation of this administrative regulation, if new, or by the change, if it is an amendment, including:

(a) List the actions that each of the regulated entities identified in question (3) will have to take to comply with this administrative regulation or amendment: None that the department is aware of.

(b) In complying with this administrative regulation or amendment, how much will it cost each of the entities identified in question (3): This will not fiscally impact the entities identified in question (3).

(c) As a result of compliance, what benefits will accrue to the entities identified in question (3). The amended regulation will provide more clarity to taxpayers allowing for better compliance.

(5) Provide an estimate of how much it will cost the administrative body to implement this

FISCAL NOTE ON STATE OR LOCAL GOVERNMENT

Regulation No. 103 KAR 40:050

Contact Person: Lisa Swiger

Phone Number: (502) 564-9526

Email: Lisa.Swiger@ky.gov

1. What units, parts or divisions of state or local government (including cities, counties, fire departments, or school districts) will be impacted by this administrative regulation? The Finance and Administration Cabinet, Department of Revenue.

2. Identify each state or federal statute or federal regulation that requires or authorizes the action taken by the administrative regulation. KRS 13A, KRS 131.130, KRS 131.131, and KRS 243.850.

3. Estimate the effect of this administrative regulation on the expenditures and revenues of a state or local government agency (including cities, counties, fire departments, or school districts) for the first full year the administrative regulation is to be in effect.

(a) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for the first year? No new revenues are expected to be generated by the provisions of this administrative regulation.

(b) How much revenue will this administrative regulation generate for the state or local government (including cities, counties, fire departments, or school districts) for subsequent years? None.

(c) How much will it cost to administer this program for the first year? No additional costs will be incurred in the first year of this regulation being in effect. Any costs will be incurred as normal operating expenditures of the Department of Revenue.

(d) How much will it cost to administer this program for subsequent years? No additional costs will be incurred in subsequent years. Once implemented, these requirements will stay in effect until amended in the future.

Note: If specific dollar estimates cannot be determined, provide a brief narrative to explain the fiscal impact of the administrative regulation.

Revenues (+/-): \$0

Expenditures (+/-): \$0

Other Explanation: Not applicable.